

SUMMARY OF THE
AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4437
OFFERED BY CHAIRMAN McHUGH AND MR. FATTAH

The amendment to the "Semipostal Authorization Act" authorizes the Postal Service to issue and sell semipostal stamps that would advance causes that the Postal Service considers to be in the national public interest and appropriate.

The rate of postage charged for these special stamps would be established by the Governors in the same manner as the price was determined for the breast cancer research stamp, mandated in August, 1997. The established rate for a semipostal will be equal to the rate of postage that would otherwise apply, plus a differential not to exceed 25 percent. The purchase and use of semipostals is voluntary on the part of postal patrons.

The amounts raised by the sale of a semipostal will be conveyed to the appropriate executive agency or agencies under mutual arrangement of the Postal Service and the agency.

The Postal Service will identify which office or authority within the Service would be responsible for determining the appropriate causes to benefit from the sale and issuance of a semipostal. That responsibility would include the criteria and procedure in making those decisions and limitations in issuing semipostal (such as whether more than one semipostal may be offered for sale at the same time).

A copy of the proposed regulations must be published in the Federal Register prior to issuance. This would give interested parties an opportunity to provide comment. Regulations are to be issued no later than 30 days prior to the issuance to the public of the first semipostal. The regulations would specifically address how the cost incurred by the Postal Service shall be computed, recovered, and kept to a minimum. Appropriations to an agency will not be affected in any year because of amounts that may be received by the agency because of funds from semipostals.

The amendment specifies that the Postal Service shall ensure that it has recovered the full costs incurred in connection with the production of a semipostal before funds are made available to an agency for any specific period.

The Postmaster General must issue an annual report which includes certain elements, including information regarding the commencement and termination dates of the sale of each semipostal; the total amount available from the sale of the semipostal and the total amount applied to administrative costs.

The authority to issue semipostals by the Postal Service will terminate at the end of the 10-year period beginning on the date on which these special postage stamps are

first made available to the public (this does not include the already existing breast cancer research stamp or its extension).

Each agency that receives any funding from the sale of a semipostal is required to submit a report to the congressional committees with jurisdiction over the United States Postal Service. The report should include information regarding the total amount of funding received by the agency during that year, an accounting of how the funds were used by the agency, and a description of any significant advances or accomplishments that were realized because of the funding.

Additionally, no later than four years after the semipostal is first made available to the public, the General Accounting Office (GAO) is required to submit an interim report to the President and each House of Congress regarding the operation of the program. The GAO will prepare a final report for the same recipients no later than six months before the date on which the program is scheduled to expire. This report will contain detailed statements of the findings and conclusions of the GAO along with any recommendations it deems appropriate.

This new semipostal legislation is to be established six months after the date of enactment.

There is no change in Section 3 of the amendment in reference to the extension of authority to issue semipostal for breast cancer research. This section is based on a bill introduced by Representative Bass extending the existing Breast Cancer Research Stamp for an additional two-year period. The Comptroller General of the United States will submit a report to the Congress on the operation of program no later than 3 months and no earlier than 6 months before the date that this section is due to expire, and would contain the same information as required in Public Law 105-41 which first authorized the Breast Cancer Research Stamp.